

28th NOVEMBER 2019 CCRTA MEETING

ITEM 5 - METRO PLUS UPDATE

REPORT OF CARDIFF CAPITAL REGION DIRECTOR KELLIE BEIRNE

The Appendix numbered 3 to this report is exempt from publication because it contains information of the kind described in paragraphs 14 and 21 of parts 4 and 5 of Schedule 12A of the Local Government Act 1972 and in all the circumstances of the case, the public interest in maintaining the exemption outweighs the public interest in disclosing the information.

AGENDA ITEM

REASON FOR REPORT

- 1) To provide members with an update on the strategic programme of the 10 'Future Mobility' Metro Plus Phase 1 projects that were approved in principle by Regional Cabinet on 18th February 2019.
- 2) The report will provide an update on individual schemes and seek specific approval from the Regional Transport Authority to make decisions on the designated Metro Plus programme City Deal budget.

BACKGROUND

- 3) A report was presented to Joint Cabinet on 12th September 2019 to provide background and clarity to the current governance arrangements for the delivery of Metro Plus, along with seeking specific approval from Regional Cabinet for delegated authority to be given to the Regional Transport Authority (RTA) to make decisions on the designated Metro Plus programme City Deal budget of up to £15m. Joint Cabinet accepted the recommendations to:
 1. Note the updates on the Metro Plus Programme and the 10 projects in scope;
 2. Notes and supports the need for the Regional Transport Authority to finalise and approve the CAF at its November meeting in order to establish the framework against which the requested delegations can apply;

3. Amend the Regional Transport Authority's Terms of Reference (under the paragraph headed 'Functions') to include the following additional functions and delegated authority:
 - (A) Delegate authority to the Regional Transport Authority ('RTA') to make decisions as regards:
 - (1) the allocation of City Deal monies to individual Metro Plus projects within the envelop of the approved budget of up to £15m; and
 - (2) all associated matters required to facilitate the implementation of the Metro Plus Projects within the envelop of the approved budget of up to £15m;
 - (B) Delegate authority to the City Deal Programme Director in consultation with the Chair of the RTA (or in his absence the Vice Chair of the RTA), the Accountable Body S151 Officer and the local RTA Member to authorise spend on individual approved Metro Plus projects up to the sum approved by the RTA in respect of the Metro Plus project concerned (pursuant to the above delegation) and to deal with all associated matters required to facilitate the implementation of the Metro Plus Project PROVIDED Always that in exercising any delegated powers all decisions made should:
 - i. consider the broader aims and objectives of the Common Assessment Framework
 - ii. be made in accordance with the requirements of the Joint Working Agreement in relation to the delivery of the Cardiff Capital Region City Deal
 - iii. be within approved budgets and comply with any legal requirement and
 - iv. a full record (report) of the exercise of such powers shall be kept by the City Deal Programme Director in respect of each decision taken and update reports provided to the RTA outlining decisions taken .
- 4) The details of the Common Assessment Framework (CAF), which is underpinned by the principles of the WelTAG and five-stage business case model, are included in a separate report.
- 5) An update was issued to the Investment Panel at its meeting on 2nd October 2019 on progress with Metro Plus. In view of the delegated powers awarded to the Regional Transport Authority in respect of the Common Assessment Framework to guide City Deal Funding Requirements – it was suggested that in order to align processes and ensure consistency, a member of the Investment Panel sits as part of the RTA sub-group in an observational capacity order to be present during assessment of investment schemes. This was approved by Joint Cabinet at its meeting on 21st October 2019.

PROGRESS TO DATE

- 6) Metro is being delivered by Transport for Wales (TfW) to deliver the electrification of the Core Valleys Line (CVL) and includes various enhancements as identified within

the franchise awarded to Keolis Amey by Welsh Government (WG) in June 2018. A full business case for Metro was evidenced by WG as part of this work.

- 7) Metro Plus (Phase 1) is a programme of 10 transport related schemes which are, or are intended to be part of the wider metro infrastructure. Metro Plus schemes should not be viewed as individual projects, but rather a programme of enabling infrastructure, to stimulate economic growth and regeneration across the region, supporting the sustainable mobility of people, and improving the way people make their economic contribution. The Strategic Outline Programme was approved by Joint Cabinet in February 2019.
- 8) An update on the preparation of the schemes that make up the Phase 1 programme can be found at Appendix 1. However, below is a summary of funding requests from City Deal Investment being requested for authorisation from Members:-

- a) Porth Transport Interchange - The scheme will establish a new transport hub co-locating bus and rail to form a seamless strategic interchange between transport modes, strategically located at the confluence of the Rhondda Fawr and Rhondda Fach valleys. To include new 7 bay bus interchange; shared passenger facilities including ticket office; taxi drop off; EV infrastructure; renewables; 29 space park & ride (with potential for further phases); cycle facilities (potential for Next Bike); branded TfW.

There is an early opportunity to deliver the 29 space Park & Ride this financial year as RCT Council has invested its own capital funding to work up a proposal and design of the park & ride (£87k up to 2018/19). WelTAG 1 & 2 for the full scheme are currently being reviewed by RCT Council and their WelTAG Review Board for the Porth Transport Interchange. A SIFT form has been completed (appendix 3a) as identified within the Infrastructure & Investment Framework process to align processes and ensure consistency (as recommended at point 5 above), and the CAF form (appendix 3b) has been prepared to consider the potential for 'additionality' in regard to the vision and objectives of the City Deal. It is envisaged that the CAF will be updated throughout the process as the scheme develops.

WelTAG (Welsh Transport Appraisal Guidance) contains best practice for the development, appraisal and evaluation of proposed transport interventions in Wales. The 2017 WelTAG identifies WelTAG Stage 3 as the Full Business Case – the Rational for Objectives Appraisal as identified in the HM Treasury Green Book and is Stage 3 of the Five Case Model for Better Business Cases. The specific information addressed within WelTAG Stage 3 (WelTAG 2017) includes *'a full and detailed assessment of the preferred option to inform a decision as to whether or not to proceed to implementation. The detailed design and appraisal work should be used to refine the design and to inform any complementary*

measures that are needed in order to more fully realise the benefits of the proposal and seek to maximise contribution to the well-being goals whilst helping to mitigate any adverse impacts and resolving potential conflicts. The completion of Stage Three will provide much of the information needed for applications to funding organisations and any mode-specific appraisal procedures. Knowing the full specification of the scheme, the details of the anticipated impacts and the narrative as to how the proposed intervention will meet the objectives and its likely impacts, will assist in the planning of the monitoring and evaluation which will be carried out in Stages Four and Five. In many cases, Stage Three will have been prepared using an estimated cost. After the procurement exercise, a final price and set of defined deliverables will be available. The Stage Three report should be updated to reflect the final agreed project price, scope and deliverables. This document should be used in the evaluation work carried out in Stages Four and Five. The monitoring and evaluation plan should be written during Stage Three and presented in the management case. It should identify the requirement for the collection of data which needs to be carried out in advance of the project's implementation. There may be relevant evidence in the local well-being assessment. It will also allow for determining the budget required to cover the cost of conducting the monitoring and evaluation work. This should be included in the costs of the intervention and arrangements made to ensure that these funds will be available when required for the short and long term post opening evaluation.' However, the guidance also states that 'the level of detail provided in the WelTAG reports should be proportionate to the impacts under consideration. All major impacts and issues that could have a significant influence on delivery should be presented, but the level of detail in any analytical work should be proportionate to the scale and significance of the impact and sufficiently accurate for the decisions that need to be made'.

In relation to this scheme, the information provided includes a completed SIFT questionnaire, Common Assessment Framework (CAF) initial assessment for the overall project, WelTAG Stage 1 and WelTAG Stage 2 Impact Assessment, project specific drawings and standard details as identified within the Tender documents, cost details of £225k (significantly less than the original cost estimates previously identified as part of developing the scheme of £300k), risk register and delivery programme to enable deliver of the park & ride element of the overall scheme. 'Additionality' in relation to City Deal vision and objectives have been captured within the CAF (including ducting for Electric Vehicles infrastructure and digital, as well as using the South East Wales Procurement Framework which identifies community benefits in relation to skills, training and apprenticeships) and will continue to grow throughout the delivery of the overall project. The overall project includes match-funding investment of £1.5m from Local Transport Fund (LTF) Welsh Government Grant and £87k from the Council's own Capital programme, and further investment is being considered as part of the TfW commitments for the Core Valley Lines (CVL) Metro

commitments, as well as collaborative interventions such as a shared ticket office between all modes and integrated ticketing proposals. Further investment will be identified throughout delivery of the wider programme. £820k LTF has already been utilised this financial year to include purchase of the land and to undertake the WeITAG work and design of the scheme. The scheme was considered by the RTA Officer group on 6th November 2019 and recommendations to proceed in delivering the park and ride element minuted.

- b) Cardiff East Bus Priority – This scheme includes bus priority measures connecting to Queen Street Rail Station, connects 3 primary cycleways, and provides pedestrian safety improvements. It was intended that a public consultation on this scheme would commence in January 2020 with a start date for implementation of July 2020. However, new legislation in regards to Sustainable Drainage Systems (SUDs) which was introduced in January 2019, has meant that the scheme needs to reconsider the proposal to ensure compliance with the new legislation and has impacted the timescales and potentially the costs of the overall scheme. It is anticipated that the additional work required to satisfy the new legislation, will mean that the scheme will not be deliverable until the latter part of 2020/21 financial year. However, the scheme does require City Deal Funding of £85k from the Infrastructure and Investment Fund in 2019/20 to enable the full design works to progress further. Similar to the Porth status, Cardiff Council has completed the SIFT form (appendix 3c), CAF (appendix 3d) and submitted the WeITAG Stage 1 report, along with current drawings of the project. The WeITAG Stage 2 report is due to be completed in January 2020, with WeITAG 3 report to follow. The scheme was considered by the RTA Officer group on 6th November 2019 and recommendations to proceed with the allocation of development funding minuted.

- 9) It should be noted that the new legislation for Sustainable Drainage which became mandatory on 7th January 2019 is currently having an effect on many of the transport schemes within the Phase 1 Metro Plus programme. Early consideration implies significant time and cost implications to complying with the new legislation, even though it was predicted to save money and have a positive impact. It may therefore be prudent to consider a technical working group to assess the proposals being brought forward where this legislation has an impact, to ensure that the best and most cost effective solutions are delivered. Further consideration of this proposal will come forward to a future meeting for consideration by Members.

Local Member consultation (where appropriate)

- 10) All Members would have been consulted through their local mechanisms for local project approval and support. This report is the first in a series of updates on programme activity, whereby regional engagement will take place.

Reason for Recommendations

- 11) To ensure that schemes are considered and managed in accordance with relevant transport policies, the City Deal Investment and Infrastructure Plan and the CAF within an appropriate timescale.
- 12) To enable schemes to be delivered in a timely manner.
- 13) To enable a forward work programme of projects that deliver City Deal objectives as agreed within the JWA.

Financial Implications

- 14) This report seeks to update the Regional Transport Authority on the progress to date on each of the approved Metro Plus schemes.
 - a) In February 2019, Regional Cabinet gave an In-Principle approval to the Metro Plus Phase 1 – a programme of 10 projects with an anticipated value of £50 million and with a proposed funding package consisting of:
 - i. £15 million Welsh Government Local Transport Fund (LTF – Administered by Merthyr Tydfil CBC);
 - ii. £15 million City Deal;
 - iii. £20 million funded locally by each partnering local authority
 - b) The schemes are at various stages of maturity and any requests for funding from City Deal Wider Investment Fund (WIF) resources will only be required during financial year 2019/20 should the total funding requirement for the financial year exceed the LTF funding that has been secured.
 - c) Any City Deal resources utilised for projects approved will need to be in accordance with LTF Grant Terms & Conditions as well as the Terms & Conditions to be set out as part of the draw down of City Deal funding.
 - d) WIF funding to be drawn down will need to be approved in line with the delegations to the Regional Transport Authority (CCRTA) and the Investment & Intervention Framework. This includes the requirement to produce and have approved by CCRTA an acceptable business case in line with the funding requirements set out by HMT and Welsh Government.
 - e) Funding is available as part of resources set aside from the Wider Investment Fund. Updates on expenditure will form part of the Cardiff Capital Region City Deal Regional Cabinet's Quarterly Performance Reporting.

Legal Implications (including Equality Impact Assessment where appropriate)

- 15) This report is submitted to update Members on the matters raised. When developing proposals for individual projects, the provisions of the Joint Working Agreement in

relation to the delivery of the Cardiff Capital Region City Deal ('the JWA'), (in particular the provisions of the Assurance framework), and the terms attaching to the funding provided by HMT to the CCRCDC must be complied with. To ensure compliance with the JWA, business cases will need to be developed for each scheme and the approach taken will need to be consistent with the HM Treasury Green Book and business case appraisal process, applied in a manner that is proportionate to the scheme in question.

- a) The JWA and funding conditions further provide that the 'purposes' for which CCRCDC monies are used must accord with those set out in the JWA Business Plan (the CCR City Deal 5 year Strategic Business Plan Wider Investment Fund). The JWA Business Plan provides that 'to maximise the potential benefits of the Metro to the region the Regional Cabinet are exploring a programme of complimentary transport investment, Metro plus'. This report details the proposed complimentary transport investment.
- b) In developing the business cases, detailed legal advice should be obtained for each proposed scheme, including consideration to any consents/ permission required to facilitate the scheme.
- c) The report refers to other elements of funding that may be relied upon to fund the schemes proposed, including Welsh Government's Local Transport Fund ('LTF') and Capital contributions from Councils. As will be appreciated, decisions as regards the allocation of such third party funding will be a matter for the bodies concerned and to be taken in accordance with their respective decision-making processes. Put another way such functions cannot be delegated to the RTA.
- d) Decisions to implement the proposed schemes should not be sought until the required funding is secured. There is risk that expenditure on developing the metro plus proposals could prove abortive if, amongst other matters, the third party funding were not secured and the schemes do not progress. That said funding could not be secured without the business cases being developed so the risk of abortive costs incurred in developing a business case is not unique to the metro plus scheme.
- e) Consideration should be given to any conditions attached to such third party funding to ensure that CCRCDC is able to comply with the same.
- f) The report refers to a potential procurement. Detailed legal advice should be sought on any proposed procurement, which must be carried out in accordance with legal requirements. To the extent the procurements involve other bodies, then arrangements will need to be agreed between the parties as to how the procurement will be run, the proposed contract structured and as to the respective parties contributions. Further, each party will need to make the requisite decision, in accordance with its own decision making rules, to be a party to any such collaborative procurement.

Wellbeing of Future Generations (Wales) Act 2015

- 16) The Well-Being of Future Generations (Wales) Act 2015 ('the Act') is about improving the social, economic, environmental and cultural well-being of Wales. The Act places

a 'well-being duty' on public bodies aimed at achieving 7 national well-being goals for Wales - a Wales that is prosperous, resilient, healthier, more equal, has cohesive communities, a vibrant culture and thriving Welsh language, and is globally responsible. In discharging their respective duties under the Act, each public body listed in the Act (which includes the Councils comprising the CCRCD) must set and published well being objectives. These objectives will show how each public body will work to achieve the vision for Wales set out in the national well being goals. When exercising its functions, the Regional Transport Authority should consider how the proposed decision will contribute towards meeting the 'well being duty' and in so doing assist to achieve the national well being goals.

- 17) The well being duty also requires Councils to act in accordance with a 'sustainable development principle'. This principle requires Councils to act in a way which seeks to ensure that the needs of the present are met without compromising the ability of future generations to meet their own needs. Put simply, this means that the Regional Transport Authority must take account of the impact of their decisions on people living their lives in Wales in the future. In doing so, the Regional Transport Authority must:
- Look to the long term
 - Focus on prevention by understanding the root causes of problems
 - Deliver an integrated approach to achieving the 7 national well-being goals
 - Work in collaboration with others to find shared sustainable solutions
 - Involve people from all sections of the community in the decisions which affect them.
- 18) The Regional Transport Authority must be satisfied that the proposed decision accords with the principles above.
- 19) To assist the Regional Transport Authority Cabinet to consider the duties under the Act in respect of the decision sought an assessment has been undertaken , which is attached as an Appendix to this report (Well –being of future generations assessment) for Member's consideration.
- 20) In preparing reports due regard must be given to the Statutory Guidance on the Act issued by the Welsh Ministers, which is accessible using the link below:

<http://gov.wales/topics/people-and-communities/people/future-generations-act/statutory-guidance/?lang=en>

Equality Act 2010

- 21) In considering this matter, regard should be had, amongst other matters, to the Councils' duties under the Equality Act 2010. Pursuant to these legal duties the Regional Transport Authority must in making decisions have due regard to the need to (1) eliminate unlawful discrimination (2) advance equality of opportunity and (3) foster good relations on the basis of protected characteristics. Protected characteristics are:

- Age
- Gender reassignment
- Sex
- Race – including ethnic or national origin, colour or nationality
- Disability
- Pregnancy and maternity
- Marriage and civil partnership
- Sexual orientation
- Religion or belief – including lack of belief

RECOMMENDATIONS

It is recommended CCRTA:

- 1) note progress to date on each of the 10 Metro Plus schemes;
- 2) agree that the Porth Transport Interchange and Cardiff East Bus Priority Schemes have met the objectives of the CAF and the requirements of the JWA and IIF, as further detailed in the exempt appendix 3;
- 3) approve the request for funding in the sum of £225,000 from the Wider Investment fund (if required for 2019/20) for the Porth Transport Interchange Scheme; and
- 4) approve the request for funding in the sum of £85,000 from the Wider Investment Fund (if required in 2019/20) for the Cardiff East Bus Priority scheme.

KELLIE BEIRNE
CARDIFF CAPITAL REGION DIRECTOR
01st August 2019

The following Appendices are attached:-

Appendix 1 – Summary of Metro Plus Schemes

Appendix 2 – Wellbeing of Future Generations Evaluation

Appendix 3 (exempt) Completed SIFT & CAF (Porth Transport Interchange & Cardiff East Bus Priority schemes)

The following background papers have been taken into account:-

Cardiff Capital Region Report – “Strategic Outline Programme for Metro Plus – Phase 1 – Programme of Local ‘Future Mobility’ Schemes” – 18th February 2019

Cardiff Capital Region Report – Regional Transport Authority Delegations – 12th September 2019

Cardiff Capital Region Report – Investment Panel Recommendations to Regional Cabinet – SIFT Approvals to Next Stage – 21st October 2019